IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE THOTTATHIL B.RADHAKRISHNAN

WEDNESDAY, THE 7TH FEBRUARY 2007 / 18TH MAGHA 1928

WP(C).No. 2517 of 2007(Y)

PETITIONER:

M.MOHANAN, PROPRIETOR,
SREEBHADRA CONSTRUCTIONS,
MURITHATTIL HOUSE, IRUMPANAM P.O.
TRIPUNITHURA 682 309.

BY ADV. SRI.GEORGE SIMON
SRI.C.K.SREEJITH

RESPONDENTS:

STATE BANK OF INDIA, REPRESENTED BY ITS
BRANCH MAANGER, VYTTILA, ERNAKULAM.

BY ADV. S.C SRI.K.K.CHANDRAN PILLAI

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 07/02/2007,THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

THOTTATHIL B. RADHAKRISHNAN, J.

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W.P.(C).No.2517 of 2007

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Dated this the 7th day of February, 2007.

J U D G M E N T

Heard.

2. The petitioner challenges the action taken under Act 54 of 2002. It is urged that the petitioner be let to avail OTS and the respondent may be directed to waive penal interest. Respondent filed counter affidavit stating that they do not have OTS as of now and that they have not charged any penal interest on the debt. It is also pointed out that the transaction is one of an O.D facility for contract business and that respondent, bank had discounted two cheques presented by the petitioner, however that the said cheques ultimately bounced. Though the petitioner was called upon to remit that amount into the account, no payment was made for more than an year and thereafter Rs.2 lakhs was deposited. Now proceedings are initiated under Act 54 of 2002 for an amount of Rs.10 lakhs.

In the aforesaid circumstances, learned counsel for the petitioner points out that the petitioner requires a short time to wipe of the outstanding and that the entire outstandings would paid off within a period of one month. Under such circumstances, this writ petition is

disposed of directing that if the petitioner remits an amount of Rs.3 lakhs on or before 28.02.07 further action on the basis of the account proceedings would stand deferred till 28.03.07, before which the petitioner, going by his offer through counsel will be done. If such amounts are not deposited, further action can follow immediately.

THOTTATHIL B. RADHAKRISHNAN,
JUDGE.

sj